

# HOUSE BILL No. 1004

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-1.1-4-4.3.

**Synopsis:** Assessed value of homesteads and farmland. Limits the annual increase in the gross assessed value of a homestead to 1% and of agricultural land to 2% unless the increase results from a factor that would have increased the assessed value even if neither an annual assessment adjustment nor a general reassessment applied.

**Effective:** January 1, 2011.

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**Grubb, Pearson, Steuerwald**

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November 17, 2009, read first time and referred to Committee on Ways and Means.

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Second Regular Session 116th General Assembly (2010)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2009 Regular and Special Sessions of the General Assembly.

## HOUSE BILL No. 1004

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. IC 6-1.1-4-4.3 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE  
3 JANUARY 1, 2011]: **Sec. 4.3. (a) As used in this section,**  
4 **"agricultural land" refers to land assessed as agricultural land**  
5 **under the real property assessment rules and guidelines of the**  
6 **department of local government finance.**

7       **(b) As used in this section, "gross assessed value" refers to the**  
8 **assessed value of property after the application of all exemptions**  
9 **under IC 6-1.1-10 or any other provision.**

10       **(c) As used in this section, "homestead" refers to a homestead**  
11 **that is eligible for a standard deduction under IC 6-1.1-12-37. The**  
12 **term includes a house or apartment that is owned or leased by a**  
13 **cooperative housing corporation (as defined in 26 U.S.C. 216(b)).**

14       **(d) Subject to subsection (f), for assessment dates after 2010, the**  
15 **gross assessed value of a homestead for an assessment date may not**  
16 **exceed the product of:**

17       **(1) the gross assessed value of the homestead for the**



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1 immediately preceding assessment date; multiplied by

2 (2) one hundred one percent (101%).

3 (e) Subject to subsection (f), for assessment dates after 2010, the  
4 gross assessed value of agricultural land for an assessment date  
5 may not exceed the product of:

6 (1) the gross assessed value of the agricultural land for the  
7 immediately preceding assessment date; multiplied by

8 (2) one hundred two percent (102%).

9 (f) Subsections (d) and (e):

10 (1) apply to the extent that the increase in the gross assessed  
11 value of the homestead or agricultural land is attributable to:

12 (A) a general reassessment under section 4 of this chapter;

13 or

14 (B) an annual adjustment under section 4.5 of this chapter;

15 and

16 (2) do not apply to the extent that the increase in the gross  
17 assessed value of the homestead or agricultural land is  
18 attributable to the application in the assessment process of a  
19 factor that would have resulted in a higher gross assessed  
20 value of the homestead or agricultural land for the current  
21 assessment date as compared to the immediately preceding  
22 assessment date even if neither of the following applied in the  
23 determination of the gross assessed value of the homestead or  
24 agricultural land for the current assessment date:

25 (A) A general reassessment under section 4 of this chapter.

26 (B) An annual adjustment under section 4.5 of this chapter.

27 (g) The department of local government finance shall adopt  
28 rules under IC 4-22-2 to implement this section.

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